



# State of Utah

DEPARTMENT OF COMMERCE  
Committee of Consumer Services

Minutes of the Meeting of the Committee of Consumer Services held  
in the Heber M Wells Building, Salt Lake City, on 15 December 2005

Dee Jay Hammon called the meeting to order at 9:35 p.m. in room 210.

## Members of the Committee in Attendance:

Dee Jay Hammon  
Kelly Casaday

Ryan Atkinson  
Franz Amussen

Betsy Wolf  
Kent Bateman

## Staff in Attendance:

Leslie Reberg  
Reed Warnick  
Christine Keyser

Dan Gimble  
Cheryl Murray  
Eric Orton

Paul Proctor  
Kevin Hale

## Members of the Public in Attendance:

Sarah Wright  
Lance Bandy  
Barrie McKay  
Dave Anderton

Kathy VanDame  
Claire Geddes  
Gary Robinson  
Steven Oberbeck

Chad Jones  
Roger Ball  
Connie White

## 1. Administrative Matter

### 1.1. Welcome and Apologies for Absence

Dee Jay Hammon welcomed all those present.

### 1.2. Dates and Location of Next Meeting

A Committee meeting was tentatively scheduled for the second week in January commencing at 9:30 AM in Room 4A, Heber M. Wells Building.

### 1.3 Approval of Minutes from Prior CCS Meetings

Kelly Casaday motioned to approve the following Committee meeting minutes:

November 18, 2005

June 21, 2005

January 10, 2005

September 27, 2005

April 27, 2005

December 7, 2004

September 20, 2005

March 28, 2005

October 12, 2004

September 6, 2005

March 21, 2005

August 2, 2005

February 8, 2005

Ryan Atkinson seconded the motion and it passed unanimously.

#### 1.4 Public Issues

Claire Geddes discussed her concern with the Committee's opposition to her intervention on the Questar CO2 Case.

### 2. Natural Gas

#### 2.1 QGC Alt. Reg. Conservation Enabling Tariff (CET)

Barrie McKay representing Questar Gas made a presentation and gave some handouts on the Conservation Enabling Tariff Pilot Program. Questar thinks they could be ready as soon as January 1, 2006 for customers to be able to see this decrease. Barry McKay stated, "One key thing there is no strings attached....This is simply a price decrease and then we will continue to file our regular results of operation reports, we will provide forecasting information to people when they want the forecasted. They will be able to see what our results are and what we are out there actually doing and earning. We want this to be a very upfront and straight forward process."

#### 2.2 QGC Gas Management Program Update

Reed Warnick, the Committee Attorney, explained the Committee's position on the CO2 settlement between Questar Gas, the Department of Public Utilities, and the Committee of Consumer Services. He also explained why the Committee opposed Roger Ball's and Claire Geddes' request for intervention in the Questar CO2 Case.

Roger Ball expressed his concerns regarding the Committee's opposition and Questar's application for recovery of Gas Management Costs in its 191 Gas Cost Balancing Account.

#### 2.3 Questar Pipeline's Wet-Dry Gas P-1 Tariff

Questar Pipeline wants to divide up its pipeline into two segments. One side of the pipeline will be a wet segment and the other a dry segment. In doing this, there would be a different charge for each segment. The objective is to make the gas interchangeable to connections to other pipelines. If the proposal is accepted, Questar may propose a tariff change, calling it a P1.

### 3. Electricity

#### 3.1 PacifiCorp Consolidated Tax Case (Docket # 05-035-98)

Questar Gas filed a brief in support of PacifiCorp's request to dismiss the Committee docket on PacifiCorp's Consolidated Tax Case. However, the Public Service Commission denied PacifiCorp's request to dismiss. Scheduling for upcoming meetings is in process.

#### 3.1.1 New Contract

It is proposed that the Committee enter into a Sole Source Contract – with an initial termination date of November 24, 2006, but capable for extension in duration and funding, as well as other amendments as required, at the discretion of the Committee, that is renewable on a year – to – year basis to complete the project – for a value of \$50,000 with:

Scott Hempling, Attorney at Law to examine U.S. SEC rules as they apply to the 2003-2004 SEC investigative audit of PacifiCorp and its parent holding company structure.

Ryan Atkinson motioned to approve the contract with Scott Hempling. Kent Bateman seconded the motion and it passed unanimously.

### 3.2 Multi-State Process, Integrated Resource Plan, and Grid West Updates

#### 3.2.1 Multi-State Process Update

Nancy stated that MSP is coming to a close, probably in June. Upcoming issues may be discussed in 2013.

#### 3.2.2 Integrated Resource Plan Update

PacifiCorp has been very responsive in its update to Utah Stakeholders since MidAmerican's Proposed Acquisition. PacifiCorp's November 1, 2005 updated action plan has removed two gas plants, added transmission link to the east and west control areas, increased the size of the Bridger unit and increased its transmission.

#### 3.2.3 Grid West Update

Bonneville decided to pull out of Grid West. The remaining parties are doing a Cost Benefit Analysis to see if it will be a benefit to still move forward without Bonneville.

### 3.3 Sch. 38 Avoided Cost Order – Petitions for Reconsideration

The Committee, UAE, & Wasatch Wind all filed petitions for reconsideration and clarification of the Commissions Avoided Cost Order. The Commission has until December 20, 2005 to decide.

### 3.4 PacifiCorp PCAM Filing

In the stipulation for the MidAmerican acquisition of PacifiCorp it was agreed that any filing for a Power Cost Adjustment Mechanism (PCAM) must occur three months prior to the filing of a general rate case but that the issue would be investigated concurrent with the rate case. PacifiCorp plans to file its next general rate case on March 1, 2006 and did file an application for approval of its proposed PCAM on November 23, 2005.

### 3.5 Mid-American Hearing

On November 18, 2005, the Committee and interested parties signed a Stipulation of settlement in the MEHC proceeding. Dan Gimble and Cheryl Murray testified for the Committee before the PSC. Most likely the Commission will file an Interim Order in 2006, because of the Most Favored Nation provision that was agreed to by all parties in the Stipulation.

### 3.6 Home Electric Lifeline Program (HELP) Report and Order (Docket #03-035-01 & 04-035-21)

On November 23, 2005, the Public Service Commission issued its Report and Order. The Commission approved the continuation of the HELP program with some modifications.

## 4. Telecommunications

### 4.1 Carbon-Emery Rate Case

The Hearing is scheduled for December 20 & 21, 2005. Carbon-Emery Telecom is seeking a 1.9 Million dollar increase of rates and charges and Universal Service Fund (USF) eligibility. The main issue is the capital structure of Carbon-Emery. Carbon-Emery is trying to use a hypothetical structure instead of using the actual structure.

## 5. Public Information

### 5.1 Updates to Committee Web site

Chris Keyser is working with IT to keep the public well informed on the Committee of Consumer Services Web site. Our new Web site is <http://www.ccs.utah.gov>. The Web site offers current issues the Committee is involved with, dates of hearings; approved meeting minutes, and agendas.

## 6. Closed Meeting – To Discuss Pending or Reasonably Imminent Litigation

Franz Amussen motioned that the Committee go into executive session to discuss pending or reasonably imminent litigation. Kent Bateman seconded the motion and it passed unanimously.

Kent Bateman motioned that the Committee return to open session. Franz Amussen seconded the motion and it passed unanimously.

## 7. Motions on Matters Discussed in Closed Meeting

Kelly Casaday motioned to have the Committee sign a draft editorial response for SLC Tribune and Deseret Morning News. Kent Bateman seconded the motion, it passed 4-1 vote, Betsy Wolf opposed.

## 8. Other Business

Ryan Atkinson proposed that the meeting adjourn, and the meeting ended at 2:30 p.m.